

House Bill 1195

By: Representatives Stephens of the 164th, Harbin of the 118th, Maxwell of the 17th, Sims of the 169th, Tumlin of the 38th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,
2 relating to the imposition, rate, and computation of income tax, so as to provide for a tax
3 credit for certain amounts expended for health insurance; to provide for a definition; to
4 provide for conditions, limitations, and exclusions; to provide for authority of the state
5 revenue commissioner with respect to the foregoing; to provide for related matters; to
6 provide an effective date; to provide for applicability; to repeal conflicting laws; and for
7 other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the
11 imposition, rate, and computation of income tax, is amended by adding a new Code section
12 to read as follows.

13 "48-7-29.13.

14 (a) As used in this Code section, the term 'qualifying family member' means the taxpayer
15 or an individual who is related to the taxpayer by blood, marriage, or adoption.

16 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
17 in an amount not to exceed 50 percent of the amount expended by such taxpayer for
18 premiums for health insurance for a qualifying family member. No taxpayer shall be
19 entitled to such credit with respect to such expended amounts for health insurance which
20 are claimed by another taxpayer.

21 (c) In no event shall the amount of the tax credit provided in subsection (b) of this Code
22 section for a taxable year exceed \$2,000.00 or the taxpayer's income tax liability,
23 whichever is less. Any unused tax credit shall not be allowed to be carried forward to
24 apply to the taxpayer's succeeding years' tax liabilities. No such tax credit shall be
25 allowed the taxpayer against prior years' tax liabilities.

(d) No such tax credit shall be allowed under this Code section with respect to any premiums for health insurance either deducted or subtracted by the taxpayer in arriving at Georgia net taxable income or with respect to any premiums for health insurance for which amounts were excluded from Georgia net taxable income.

(e) The commissioner shall promulgate any rules and regulations necessary to implement and administer the provisions of this Code section."

SECTION 2.

This Act shall become effective on January 1, 2009, and shall be applicable to all taxable years beginning on or after January 1, 2009.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.